

Nashville District

Human Resources Newsletter

"News You Can Use"

Issue 01-12-02
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The purpose of this newsletter is to keep Nashville District employees informed about personnel issues, concerns, and topics. You are encouraged to review the information and disseminate to your organization. If there are particular areas of interest that you would like to see addressed in future issues, an article of general interest, or general comments, please contact John Restey at 615-736-5538 or John.G.Restey@lrn02.usace.army.mil.

Upcoming Key Dates in HR

- **1 July-31 December 2002-----Long Term Care Open Season**
- **15 October-31 December 2002----TSP Open Season**
- **11 November-9 December 2002---FEHB Open Season**

General News:

Update on January 2003 Pay Adjustments

General Schedule

- The General Schedule (GS) pay adjustments for January 2003 have not yet been determined.
- Under current law, the projected across-the-board GS pay increase would be 3.1 percent. (This percentage amount is derived under a formula linked to the Employment Cost Index published by the Bureau of Labor Statistics.)
- The locality pay adjustment amounts are not yet known. The President's Pay Agent issued a report in 2001 that shows the locality pay rates that would be payable in January 2003 under the Federal Employees Pay Comparability Act of 1990 (FEPCA). (See <http://www.opm.gov/oca/payagent/>.) By law, the President

as the authority to issue an alternative plan for locality payments. The deadline for submitting an alternative plan to Congress is November 30, 2002.

- The House-passed version of the FY 2003 Treasury and General Government Appropriations Act contains a provision that would provide an overall average GS pay adjustment of 4.1 percent. Under this bill, the President would be authorized to determine how the overall increase would be split between an across-the-board pay increase and locality pay increases. However, this FY 2003 appropriations legislation has not yet been passed by the Senate.
- When final determinations about the across-the-board and locality pay increases for GS employees are made, the President will issue an Executive order to implement the new pay rates.
- OPM will post the new salary tables and accompanying guidance to Federal agencies as soon as possible after all final decisions have been made.

Special Salary Rates

- The annual review of special salary rates is now under way. OPM will post the 2003 special rate tables on its Web site as soon as possible after final decisions are made on the 2003 across-the-board GS pay increase.

Senior Executive Service/Administrative Law Judges

- The President has the authority to adjust the rates of basic pay for members of the Senior Executive Service and administrative law judges within certain limits prescribed by law.
- The President's decisions will be reflected in the Executive order that implements the January 2003 pay increase and will be posted on OPM's Web site as soon as possible after the Executive order is issued.

Executive Schedule

- Under current law, the across-the-board pay increase for the Executive Schedule officials will be 3.3 percent or the amount granted for the across-the-board GS pay increase, whichever is lower.

Federal Wage System

- The issuance of appropriated fund and nonappropriated fund Federal Wage System (FWS) pay schedules effective in fiscal year 2003 will be delayed until the FY 2003 FWS pay limitation is determined. When the Department of Defense issues FY 2003 wage schedules, the new schedules will be retroactive to their normal effective dates. FY 2002 wage schedules are available at the Department of Defense Web site at <http://www.cpms.osd.mil/wage/>.

Health And Benefits:

SENATE PASSES TSP “CATCH-UP” CONTRIBUTIONS

The Senate recently passed H.R. 3340 to allow Thrift Savings Plan (TSP) participants 50 years and older to contribute additional money toward their retirement.

The legislation was introduced by outgoing Rep. Connie Morella (R-MD) and will allow Federal employees 50 and above to contribute an additional \$2,000 in 2003. The \$2,000 would be on top of the maximum contributions allowed for next year. Under the legislation, the maximum catch-up contribution will increase to \$3,000 in 2004, \$4,000 in 2005, and \$5,000 in 2006. After 2006, the limit for Federal workers 50 or older will remain at \$5,000 above the limit for those under 50 years old. Thus, by 2006, Federal employees aged 50 and higher will be able to contribute as much as \$20,000 a year to their TSP accounts. (Excerpt from the WASHINGTON REPORT November 25, 2002)



NEWS OF GENERAL INTEREST

ABC NEWSLETTER

For the latest news from our Army Benefits Center, please take a look at their most current newsletter at:

<https://www.abc.army.mil/Information/ABCGeneral/Information/ABCNewsNov02.doc>

LONG TERM CARE INSURANCE OPEN SEASON - ONE TIME DEAL

Considering LTC insurance. You only have until 31 December to do so. According to the Office of Personnel Mgmt, there are no plans for annual open seasons. OPM first

plans to evaluate this open season. So you really can't count on a future open season at any time soon. AND - there is no guarantee that any future open season will offer the abbreviated underwriting that is being offered during this open season for Federal/Postal employees, members of the uniformed services, and their spouses. If you elect not to apply for coverage during the current Open Season, you can still apply any time after the season ends. However, any applicants applying during a non-open season will be required to complete a full underwriting application and be subject to the full underwriting process. For more information on LTC insurance go to www.opm.gov

Food for Thought

We could learn a lot from crayons:

**some are sharp, some are pretty, some are dull, some have weird names, and all are different colors.... but
they all exist very nicely in the same box**